

Sample Ballot for: Brian Head Town

BOND PROPOSITION #1

Shall Brian Head Special Service District, Utah be authorized to issue General Obligation Bonds (the "Bonds") in an amount not to exceed \$10,400,000, bearing interest and maturing not more than 21 years from the date of issuance to acquire certain recreational properties and associated assets and related improvements and pay costs of issuance?

PROPERTY TAX COST FOR THE BONDS

The Bonds shall be General Obligation Bonds for which the ad valorem or real property taxes on all taxable property in the District shall be pledged as security. If the Bonds are issued as planned, an annual property tax to pay debt service on the bonds will be required over a period of 21 years in the estimated amount of \$301 per year on a residence with a value of \$250,000 residence and in the estimated amount of \$548 on a business property having the same value. The foregoing information is only an estimate and is not a limit on the amount of taxes that the governing body may be required to levy in order to pay debt service on the Bonds. The Governing Body is obligated to levy taxes to the extent provided by law in order to pay the Bonds."

For the Issuance of the Bonds ☐

Against the Issuance of the Bonds ☐

To vote in favor of the above bond issue, place a cross (x) in the square after the words "For the Issuance of Bonds". To vote against the bond issue, place a cross (x) in the square after the words "Against the Issuance of Bonds".

BOND PROPOSITION #2

Shall Brian Head Special Service District, Utah be authorized to issue General Obligation Bonds (the "Bonds") in an amount not to exceed \$2,600,000, bearing interest and maturing not more than 21 years from the date of issuance to acquire and develop certain properties and associated assets for a reservoir and related improvements and pay costs of issuance?

PROPERTY TAX COST FOR THE BONDS

The Bonds shall be General Obligation Bonds for which the ad valorem or real property taxes on all taxable property in the District shall be pledged as security. If the Bonds are issued as planned, an annual property tax to pay debt service on the bonds will be required over a period of 21 years in the estimated amount of \$68 per year on a residence with a value of \$250,000 residence and in the estimated amount of \$121 on a business property having the same value. The foregoing information is only an estimate and is not a limit on the amount of taxes that the governing body may be required to levy in order to pay debt service on the Bonds. The Governing Body is obligated to levy taxes to the extent provided by law in order to pay the Bonds."

For the Issuance of the Bonds ☐

Against the Issuance of the Bonds ☐

To vote in favor of the above bond issue, place a cross (x) in the square after the words "For the Issuance of Bonds". To vote against the bond issue, place a cross (x) in the square after the words "Against the Issuance of Bonds".

Purpose of the Election

Proposition #1-Brian Head Resort was taken into court ordered receivership in April of 2012. The Town became aware of a possible closure of the Resort should a private purchase be unsuccessful before the beginning of the 2012-13 winter season.

Recognizing the financial implications that this would have on revenue in the community and property values, the Brian Head Town (the "Town") (using the Special Service District) initiated this proposition to purchase the Resort should this threat become eminent.

While it is anticipated that the bond will not be needed for this action, until the current purchase offer is complete (anticipated for late Oct. 2012) the Council determined that it is prudent to protect the interests of the taxpayers against Resort closure

Proposition #2- The Town through the Special Service District purchased 400 acre feet of water in Parowan Valley to comply with Utah Drinking Water Standards. In order to use the water in the Town, an agreement with Parowan Reservoir Company and Parowan City require that a new source of water be made available to compensate them for the water use by the Town.

Negotiations are underway to construct a 65.5 acre foot water reservoir between Vasels Road and Hwy 143 adjacent to the Town Park. In addition to supplying water for Parowan, it will serve as an urban fishery with sufficient water remaining during the winter for fish habit and other winter sport use.

The USDA Water Project Grant will fund approximately \$900,000 with the remaining funds coming from other sources up to and including this Bond. The District Board (Town Council) has indicated that bond funds (if approved) will be used as a last resort.

The District will meet on October 9, 2012 to consider a resolution restricting the use of the proposed bond funds, if passed, only for the purposes explained herein.

In a cost saving effort, Iron County has determined that your precinct will be voting by absentee ballot for this election. There will be no polling place in your precinct on Election Day. Returned ballot must be clearly postmarked by November 5, 2012 or returned in person to the Iron County Clerk's Office by Friday, November 2, 2012.

Information will be available on the Town website www.brianheadtown.utah.gov or by calling Town Hall at 435-677-2029 during normal business hours.

The total taxable value of the District was assumed to be approximately \$310,631,230 which was the beginning 2011 value. The 2012 proposed values are less than this value. The District has no other General Obligation debt at present.

The estimated annual debt service payment for Proposition 1 is \$680,000 and for Proposition 2 \$171,000. The bond funds are expected to be spent in 2013.